

GOVERNMENT OF THE DISTRICT OF COLUMBIA

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ALCOHOLIC BEVERAGE REGULATION
ADMINISTRATION BOARD

IN THE MATTER OF:

Best Wings, Inc.,
t/a Blue Gin
1206 Wisconsin Ave NW

Fact Finding
Hearing
[Extended
Safekeeping]

Ret. Class CT

License #17458

Thursday,
May 15, 2014

Suite 400S
2000 14TH STREET, N.W.
Washington, D.C. 20009

The above-entitled matter convened at
1:44 p.m., before the District of Columbia
Alcoholic Beverage Regulation Administration
Board.

BEFORE:

RUTHANNE MILLER, Chairman
NICK ALBERTI, Member
DONALD BROOKS, Member
HERMAN JONES, Member
MIKE SILVERSTEIN, Member
HECTOR RODRIGUEZ, Member
JAMES SHORT, Member

1 P-R-O-C-E-E-D-I-N-G-S

2 (1:44 p.m.)

3 CHAIRPERSON MILLER: Next case is
4 Best Wings, Inc. trading as Blue Gin located
5 at 1206 Wisconsin Avenue, Northwest, License
6 Number 17458 in ANC 2E.

7 MR. KLINE: Good afternoon.
8 Andrew Kline, for the Licensee.

9 MR. TALCOTT: Gregory Talcott,
10 President of Best Wings, Inc.

11 MEMBER RODRIGUEZ: Good afternoon.

12 CHAIRPERSON MILLER: Okay.
13 Mr. Kline, maybe it would be helpful. Do you
14 have a general understanding about this
15 license?

16 MR. KLINE: Why we're here?

17 CHAIRPERSON MILLER: Well, what's
18 going on with this particular license?

19 MR. KLINE: Yes. I'm going to
20 jump right into it, actually.

21 CHAIRPERSON MILLER: Good. Okay.

22 MR. KLINE: I think this situation

1 may be or is probably different than most of
2 the other situations that you're seeing today
3 in that this gentleman is not only an operator
4 but has been an operator at this location and
5 this license went into safekeeping from this
6 location. It's not transferred to a new
7 location.

8 CHAIRPERSON MILLER: Okay.

9 MR. KLINE: Those of you who have
10 been around for a while probably remember
11 Champions in Georgetown. That was there for
12 many years. That is this location that we're
13 talking about.

14 Mr. Talcott acquired it in '02.
15 He operated as the Blue Gin for a number of
16 years, operated as Champions I think for a
17 year.

18 MR. TALCOTT: Right.

19 MR. KLINE: And, then, about four
20 years ago, the license went into safekeeping.
21 Since then, there have been discussions with
22 a number of partners to come in and do

1 something different with the space. We have
2 been negotiating actually since August with
3 Neighborhood Restaurant Group, which owns and
4 operates the Blue Jacket Brew Pub and, also,
5 three other licensees, including Iron Gate and
6 Golden Brown and Delicious --

7 MR. TALCOTT: Birch and Barley.

8 MR. KLINE: -- and Church Key.

9 They are a well known, reputable operator.

10 We've reached agreement, actually,
11 this week and we've been at this many, many,
12 many months. The documents are not signed.
13 They're out for signature. We expect them to
14 be signed within days.

15 And what will happen as a result
16 of that agreement is that there will be
17 substantial funds invested in renovating and
18 reopening this business at that location.

19 It will involve the filing of a
20 transfer application, because there is going
21 to be a change in majority ownership.
22 Fortunately, given where we are with tavern

1 licenses, that's now possible. I think, when
2 we started this process, that wouldn't be
3 possible. But, given what's happened with
4 tavern licenses, it's now permissible because
5 we're at the sixth level. So, we can transfer
6 it.

7 So, that, in a nutshell, is where
8 we've been, where we are, where we're going
9 and we're happy to, you know, address any
10 concerns or try to address any concerns that
11 the Board might have.

12 CHAIRPERSON MILLER: So, there's
13 going to be a new ownership or there's going
14 to be a partnership or --

15 MR. KLINE: Yes.

16 CHAIRPERSON MILLER: Okay.

17 MR. KLINE: Correct.

18 CHAIRPERSON MILLER: And, once you
19 have that, you have this infusion of funds and
20 then you're going to open. Are you not open
21 right now?

22 MR. KLINE: Correct. No.

1 CHAIRPERSON MILLER: Okay. And
2 what's --

3 MR. KLINE: That's why we're here.
4 Otherwise we wouldn't be here.

5 CHAIRPERSON MILLER: Right. You
6 could be selling food, you know, just food.
7 Okay. So, when do you think that's going to
8 come to fruition?

9 MR. TALCOTT: The operating
10 documents, as Mr. Kline says, have just been
11 circulated. I've signed everything. Part of
12 the process was renegotiating a new 20-year
13 lease at the location with my landlord. That
14 was accomplished approximately two weeks ago.
15 I have signed my side of that lease and sent
16 it back to the landlord for their signature.
17 And I'll have copies of that possibly
18 tomorrow. The --

19 MR. KLINE: Let me stop you. Just
20 so you're clear, there is a lease currently in
21 effect.

22 MR. TALCOTT: Sure. I am paying

1 rent.

2 MR. KLINE: Right. So, this is a
3 replacement lease, because I didn't want
4 anyone to get confused like, what do you mean?
5 You don't even have a lease on the place? He
6 does have a lease. This is a replacement
7 lease.

8 MR. TALCOTT: It's an extension.

9 CHAIRPERSON MILLER: Okay.

10 MR. TALCOTT: And, then, it's some
11 substantial renovation to move from the Blue
12 Gin concept to what NRG and I will put
13 together. And that's going to take some
14 amount of time.

15 CHAIRPERSON MILLER: So, what do
16 you mean, best guess?

17 MR. TALCOTT: Well, I would say,
18 if the lease is not an issue, the operating
19 documents being signed gets back to me within
20 a week or so, then we start the process. We
21 don't have plans yet for the renovations. So,
22 that's where we're going to start. I would

1 say it's at least six months before we could
2 get the place open again.

3 CHAIRPERSON MILLER: Okay.
4 Questions?

5 MEMBER ALBERTI: Yes. Okay. So,
6 I'm trying to understand and I'm a little
7 curious. You're going to enter into this
8 partnership with this other restaurant group,
9 right?

10 MR. TALCOTT: Yes.

11 MEMBER ALBERTI: All right. Who
12 will be managing the different aspects of
13 this? I mean it's like, so, you're going to
14 transfer it to a new company and, so, who's
15 going to take the lead on being responsible
16 for the construction and, then, who's got the
17 lead on the concept for the restaurant? Who
18 are the players and how it that working?

19 MR. TALCOTT: I'll remain
20 President of the corporation and involved.
21 But, more likely, it's going to be NRG heading
22 up, because they're the ones with the concept

1 to come in to that location.

2 MEMBER ALBERTI: All right.

3 MR. KLINE: And, if I may be more
4 direct, I think this has been Greg's baby for
5 a long time and he is a little hesitant to say
6 what I think is in the documents which is
7 they're really managing member.

8 MR. TALCOTT: Right.

9 MR. KLINE: I mean under the
10 documents, they have the right to drive the
11 train.

12 MR. TALCOTT: Yes. Right. I
13 didn't want to get into that but right.

14 MR. KLINE: Yes.

15 MR. TALCOTT: We've assigned
16 different roles and that's their role. So,
17 when we do the transfer, we could actually
18 bring them in to find out what the concept is
19 and how long that would take.

20 MEMBER ALBERTI: Sure. Yes. And
21 it would be great to have them here to answer
22 those questions. Okay.

1 MEMBER RODRIGUEZ: Yes. That'll
2 work.

3 MEMBER ALBERTI: So, I don't know
4 how we're going to make that work but, in
5 theory, I'd like to, when we get a transfer,
6 sort of schedule a hearing to find out what
7 their plans are and how long it's going to
8 take. And, then, it would give us some idea
9 of what we'd like to see, you know, going
10 forward.

11 CHAIRPERSON MILLER: I thought I
12 heard Mr. Talcott say that you thought you
13 might be operating in six months? Did you say
14 that?

15 MEMBER ALBERTI: I think that's
16 optimistic.

17 CHAIRPERSON MILLER: That's
18 optimistic.

19 MEMBER ALBERTI: That's why I
20 didn't take the bait on that one.

21 MR. KLINE: Thank you.

22 MR. TALCOTT: I'm thinking from

1 beginning. I'm looking at it from a
2 perspective of beginning the renovations to
3 getting open, six months. You're right.
4 There are other processes involved.

5 MEMBER ALBERTI: There's no way.

6 MR. TALCOTT: And it's a big
7 project. I mean, just so we're clear, so the
8 word it clear, this is not slapping on a fresh
9 coat of pain and putting down some new carpet
10 and, you know.

11 CHAIRPERSON MILLER: Okay.

12 MR. TALCOTT: This is more
13 extensive than that, just so the Board is
14 aware.

15 CHAIRPERSON MILLER: So, when do
16 you think the transfer's going to come in?

17 MR. TALCOTT: When will the
18 transfer come in, the request for transfer?

19 MR. KLINE: Yes, the transfer
20 application should be filed within 60 days.

21 CHAIRPERSON MILLER: Okay.

22 MR. KLINE: We're waiting for the

1 signed documents back from them. As I said,
2 we've been at this literally since August.

3 CHAIRPERSON MILLER: Okay. Other
4 questions?

5 MEMBER BROOKS: Yes.

6 CHAIRPERSON MILLER: Mr. Brooks,
7 yes?

8 MEMBER BROOKS: Just a question to
9 talk about.

10 CHAIRPERSON MILLER: Okay.

11 MEMBER BROOKS: Weren't you
12 involved with another restaurant in
13 Georgetown?

14 MR. TALCOTT: Yes.

15 MEMBER BROOKS: First Edition,
16 something like that?

17 MR. TALCOTT: Third Edition. I
18 started there in 1977 and a few years in
19 bought half it from the original owner and,
20 then, bought him out in early 80s. And I was
21 there up until recently, bringing in a new
22 partner there, Richard Sandoval, and finally

1 closing the Third Edition after 45 years and
2 reopening as El Centro.

3 MEMBER BROOKS: Okay. I got you.
4 Okay.

5 MR. TALCOTT: Doing very well.
6 Thank you.

7 CHAIRPERSON MILLER: Okay. Other
8 questions? Okay. So, then, it's just the
9 question of when we want any submissions or
10 any fact finding hearing. Mr. Alberti, do you
11 have anything in that respect?

12 MEMBER ALBERTI: For me, I would
13 ask him to come back in in six months, if we
14 haven't seen the transfer.

15 MR. TALCOTT: That's fine.

16 MEMBER ALBERTI: Once the transfer
17 comes, then, I think I would say we'll deal
18 with it then as to having a fact finding with
19 respect to the transfer. I mean that's our
20 opportunity to get more information.

21 CHAIRPERSON MILLER: Just as far
22 as that timeframe goes, at what point, if the

1 transfer is approved, I mean I don't know that
2 you all would know right away exactly what
3 your plans are going to be. So, as far as a
4 good time to have the, you know, parties come
5 forward after the application?

6 MR. TALCOTT: For plans and
7 concept?

8 CHAIRPERSON MILLER: Yes. When do
9 you think that you'll be in the position to
10 report about it?

11 MR. TALCOTT: I want it to be very
12 quick. Like I said, I'm paying rent on the
13 building.

14 CHAIRPERSON MILLER: Okay. Good.

15 MEMBER ALBERTI: If you've got new
16 partners, hopefully, they want to move.

17 CHAIRPERSON MILLER: I just want
18 to keep in mind a logical time to have you
19 come back. I don't want you to come back at
20 like when you don't know --

21 MR. TALCOTT: I would say 60 days
22 after the transfer, say? I mean I would

1 surely hope that we have a good deal of the
2 plans and the concept and certainly the
3 concept anyway.

4 CHAIRPERSON MILLER: Okay. And,
5 if it would make sense to submit anything
6 ahead of time for the Board to look at, you
7 should do that. It just might make the fact
8 finding more efficient.

9 MR. TALCOTT: As it is available,
10 sure.

11 CHAIRPERSON MILLER: Yes. Okay.
12 Does that sound good to the rest of the Board?

13 MEMBER RODRIGUEZ: Yes.

14 CHAIRPERSON MILLER: Okay. So,
15 we'll look for a transfer application and
16 about 60 days after that, hopefully, we will
17 notify you. But keep in mind, that that's the
18 timeframe for you to submit something to us
19 and for us to schedule a fact finding hearing,
20 if you think it would be useful at that time.

21 MR. TALCOTT: Yes.

22 CHAIRPERSON MILLER: Okay. Great.

1 Well, good luck.

2 MR. TALCOTT: Thank you.

3 CHAIRPERSON MILLER: Thank you
4 very much.

5 MEMBER RODRIGUEZ: Good luck with
6 your concept.

7 MR. TALCOTT: Appreciate it.

8 MEMBER RODRIGUEZ: Yes.

9 MR. KLINE: It was historic space
10 in the hospitality industry.

11 CHAIRPERSON MILLER: Yes.

12 MR. KLINE: It's been here a long
13 time.

14 CHAIRPERSON MILLER: Mr. Kline,
15 are you going to be here for another case?

16 MR. KLINE: Yes.

17 [Whereupon, at 1:55 p.m., the fact
18 finding hearing was adjourned]

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21

22

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